

## Message Text

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ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 JUSE-00 TRSE-00 L-03 CIAE-00  
INR-10 NSAE-00 COME-00 DODE-00 DOTE-00 FMC-01  
CG-00 DLOS-09 OES-07 /051 W  
-----007155 240803Z /20

R 231921Z FEB 78  
FM AMEMBASSY LONDON  
TO SECSTATE WASHDC 3487  
INFO AMEMBASSY BONN  
AMEMBASSY BRUSSELS  
AMCONSUL HAMBURG  
AMEMBASSY THE HAGUE  
USMISSION BERLIN  
AMEMBASSY PARIS  
AMEMBASSY BRUSSELS  
AMEMBASSY STOCKHOLM

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E.O. 11652: N/A  
TAGS: ETRD, EWWT, UK  
SUBJ: ANTITRUST: FOREIGN OCEAN CARRIER INVESTIGATION  
UK RESPONSE

REF: STATE 43949

1. AS REQUESTED REFTEL, EMBASSY INFORMED U.K. DEPT. OF TRADE'S WILLIAM KNIGHTON, COMMERCIAL RELATIONS AND EXPORTS DIVISION, AND GERRY LANCHIN, SHIPPING POLICY DIVISION, OF INVITATIONS TO TESTIFY VOLUNTARILY WHICH DEPT. OF JUSTICE INTENDED TO MAIL ON MARCH 2 TO SHIPPING COMPANY EXECUTIVES IN THE U.K. BOTH HAD BEEN INFORMED AND GIVEN THE FULL LIST BY THE BRITISH EMBASSY IN WASHINGTON.

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2. KNIGHTON, WHEN ASKED HIS REACTION, VOLUNTEERED THAT HE WAS SOMEWHAT UNCLEAR WHAT DOJ WAS ABOUT. HE DID NOT SEE THIS INITIATIVE AS A RESPONSE TO THE REPRESENTATIONS MADE BY THE COTTON CLUB OR AS A PART OF ANY SINGLE OR DUAL TRACK CONSULTATION ON THE PROBLEM BETWEEN THE U.S. AND THE CONSULTATIVE SHIPPING GROUP (CSG) GOVERNMENTS. IT SEEMED TO HIM A CONTINUATION

OF A LEGAL APPROACH, AND HE VOICED A QUESTION, WHICH LANCHIN MADE MORE EXPLICIT, OF WHERE DOES THE PROCESS GO FROM HERE.

3. LANCHIN TOOK THE OPPORTUNITY OF THE EMBASSY'S CALL TO GO INTO THE WHOLE MATTER OF THE DOJ INVESTIGATION AT LENGTH, REITERATING THE BASIC OBJECTIONS HE HAS MADE IN A NUMBER OF OUR BILATERAL DISCUSSIONS AGAINST HANDLING A CASE OF THIS SORT AS A DOMESTIC LEGAL MATTER WHEN IT IS AN INTERNATIONAL MATTER APPROPRIATE FOR INTERGOVERNMENTAL CONSULTATION AND NEGOTIATION. WITH REGARD TO THE LETTER INVITATIONS, HE FOUND THEM "EXTRAORDINARY" GIVEN THE NATURE OF THE ALLEGED CRIMES. SUCH A PROCEDURE MIGHT BE ACCEPTABLE PERHAPS FOR VERY SERIOUS CRIMES BUT NOT FOR COMMERCIAL TRANSGRESSIONS, WHICH, MOREOVER, WERE NOT ILLEGAL ACTS IN THE COUNTRIES OF RESIDENCE AND BUSINESS OF THE INDIVIDUALS INVITED TO TESTIFY. THE INDIVIDUALS WERE BEING INVITED TO TESTIFY, WARNED THAT THEY HAD NO IMMUNITY AND ANYTHING THEY SAID COULD BE USED AGAINST THEM, AND TOLD THAT THEY COULD STOP THEIR TESTIMONY WHENEVER THEY WISHED AND LEAVE, WHILE ALL THE TIME THEY WERE GIVEN NO IDEA OF THE PRECISE NATURE OF WHAT THEY MIGHT LATER BE CHARGED WITH IN POSSIBLY CRIMINAL PROCEEDINGS.

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4. LANCHIN, LIKE KNIGHTON, WONDERED WHAT THE DOJ WAS EXPECTING FROM THE VOLUNTARY TESTIMONY AND WHAT WOULD BE ITS NEXT STEP IF THIS STEP DID NOT PRODUCE WHAT IT EXPECTED. WAS THE DOJ PREPARED TO MINIMIZE THE HANDLING OF THESE CASES OR DID IT WISH TO MAXIMIZE THE MATTER? TO WHAT EXTEND WAS THE DOJ TRAPPED INTO A FORMAL LEGAL PROCESS WHICH IT HAD STARTED? IMPLIED WAS THE QUESTION WHETHER THE U.S. GOVERNMENT WAS SO BOUND BY ITS LEGAL STRUCTURE THAT THE FORMAL LEGAL PROCESS COULD BE ALLOWED TO CRUSH THE POSSIBILITY OF SENSIBLE AND EQUITABLE SOLUTIONS. LANCHIN HOPES TO EXPLORE THIS MATTER WITH DEPUTY ASST. SECRETARY ATWOOD DURING HIS VISIT TO WASHINGTON IN APRIL, PROBABLY IN THE FEW DAYS FOLLOWING THE PBOS MEETING.

BREWSTER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** OCEANS, INVESTIGATIONS, STEAMSHIP LINES  
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**Copy:** SINGLE  
**Draft Date:** 23 feb 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
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**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Review Event:**  
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**To:** STATE  
**Type:** TE  
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**Review Markings:**  
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